



DRESNER PARTNERS  
INVESTMENT BANKING

# IT Services

## M&A Market Update

Q4 2025

# IT Services Market Update

## Q4 2025

### Market Update

Acquisition activity in the information technology services sector stabilized in Q4 2025 with transaction values supported by sustained strategic and private equity interest despite moderated overall transaction volumes. Buyers continued to prioritize technology-enabled service providers offering recurring revenue, strong customer retention, and differentiated capabilities across cloud, data, cybersecurity, and mission-critical IT modernization. While macroeconomic and interest rate uncertainty persisted through year-end, easing inflation and improved visibility into financing conditions strengthened investor confidence. Market activity remained skewed toward scaled platforms and specialized firms aligned with digital transformation and AI-driven productivity initiatives, reinforcing constructive sentiment and positioning the sector for continued momentum entering 2026.

### M&A Volume



Source: S&P Capital IQ

### Noteworthy Transactions Activity



Parsons acquired Altamira Technologies Corporation, a provider of advanced analytics, cyber, and mission-focused technology solutions supporting U.S. national security and defense agencies.



Apollo acquired Trace3, a next-generation IT solutions provider offering cloud, data, cybersecurity, and digital infrastructure services to enterprise and public sector customers.



Tata Consultancy Services acquired Coastal Cloud, a Salesforce-focused digital consultancy providing CRM implementation, cloud transformation, and customer experience solutions to enterprise clients globally.



Atlassian acquired Cycle App, a product feedback and roadmap management platform enabling enterprise teams to centralize customer insights and improve product development workflows.



ManTech acquired Elder Research, a data science and advanced analytics firm delivering machine learning, and statistical modeling solutions to government and regulated commercial clients.

# IT Services Market Update

## Q4 2025

Target	Acquirer	Date	Description
		December 2025	Intellectual Dimensions provides financial services technology consulting, specializing in core banking system implementations, data integration, and digital transformation for banks and credit unions.
		December 2025	Systemic Security provides cybersecurity consulting and managed security services, offering risk assessments, penetration testing, and security program development for enterprise clients.
		December 2025	Kasmo Technologies provides digital transformation and IT consulting services, with capabilities across data engineering, analytics, cloud modernization, and enterprise technology solutions.
		December 2025	CloudScale365 provides cloud consulting and managed services, delivering cloud migration, optimization, and ongoing infrastructure support for enterprise and mid-market clients.
		December 2025	Solerity provides advanced data engineering, analytics, and digital transformation services, supporting mission-critical technology initiatives for government and enterprise clients.
		December 2025	D4m International provides enterprise technology consulting services, specializing in SAP implementations, system integration, and digital transformation for global organizations.
		December 2025	Stormloop Technologies provides ERP and enterprise systems consulting services, specializing in Oracle NetSuite implementations, integrations, and optimization for mid-market and enterprise clients.
		December 2025	Juiced Technologies provides workflow automation and application development solutions, enabling organizations to build, customize, and deploy low-code business applications that streamline operations and data management.
		December 2025	AdvantCo provides enterprise software consulting services, specializing in ERP implementation, system integration, and digital transformation solutions for complex, global organizations.



# IT Services Market Update

## Q4 2025

Target	Acquirer	Date	Description
		November 2025	ACA Computers provides managed IT services and technology support, offering network management, cybersecurity, cloud solutions, and helpdesk services to small and mid-sized businesses across the U.S.
		November 2025	AccountabilIT provides managed IT and cybersecurity services, delivering network management, cloud solutions, security operations, and compliance support to mid-market organizations across the U.S.
		November 2025	Technology Navigation delivers strategic IT advisory and procurement services, specializing in supplier-agnostic sourcing, lifecycle management, and optimization for enterprise cloud, connectivity, security, and communications solutions.
		November 2025	3Cloud provides Microsoft Azure-focused cloud consulting and engineering services, helping enterprise clients design, migrate, and optimize data, analytics, and AI-driven cloud environments.
		November 2025	Mobility provides enterprise mobility and wireless lifecycle management services, helping organizations deploy, manage, and optimize mobile devices, applications, and connectivity at scale.
		November 2025	Virtual Guru provides managed IT and technology support services, helping small and mid-sized businesses maintain, secure, and optimize their IT environments through proactive monitoring, infrastructure management, and end-user support.
		November 2025	CORL Technologies provides healthcare IT consulting and managed services, delivering EHR optimization, revenue cycle support, and clinical workflow solutions to healthcare provider organizations.
		November 2025	Encorettech provides legal technology consulting and managed services, helping law firms and corporate legal departments implement, optimize, and support enterprise legal software platforms.
		November 2025	Peake provides managed IT and cybersecurity services for healthcare organizations, specializing in cloud solutions, compliance, and infrastructure support to improve security and operational efficiency.



# IT Services Market Update

## Q4 2025

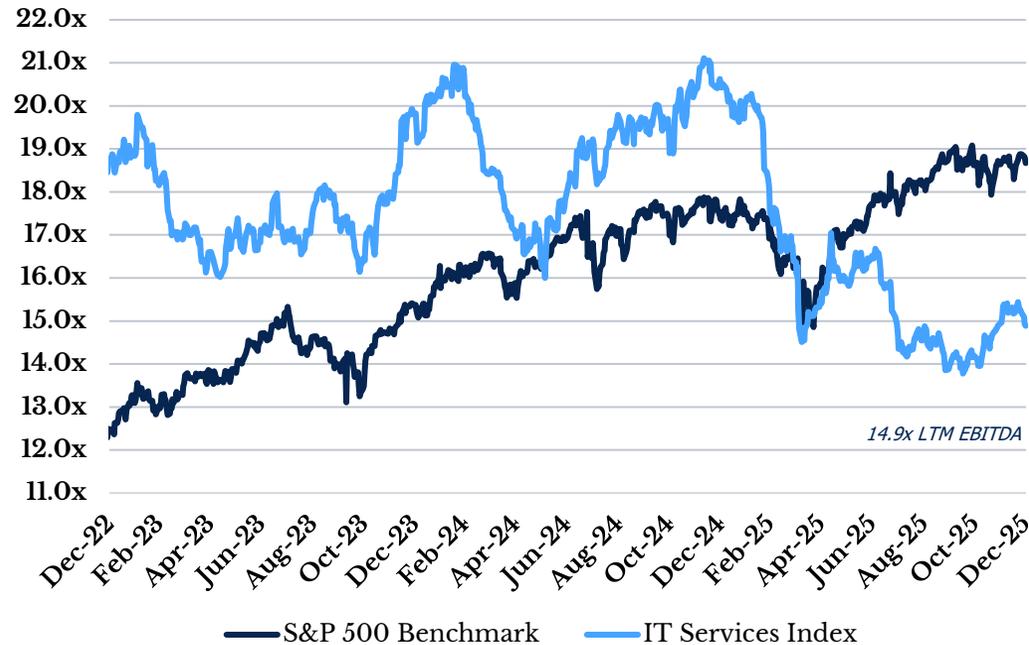
Target	Acquirer	Date	Description
		October 2025	Trek10 provides cloud consulting and managed services, specializing in AWS architecture, migration, security, and optimization, helping enterprise clients modernize infrastructure and improve cloud performance.
		October 2025	Venue Wireless provides in-building wireless and connectivity solutions, designing and deploying distributed antenna systems and network infrastructure for large venues and enterprises.
		October 2025	LLB provides ERP and business management software consulting services, specializing in Microsoft Dynamics implementation, integration, and ongoing support for mid-market and enterprise clients.
		October 2025	Axis provides data analytics and digital transformation consulting, helping enterprise clients modernize data platforms, analytics capabilities, and AI-driven decision systems.
		October 2025	ListEngage provides Salesforce-focused digital marketing and CRM consulting services, enabling enterprises to improve customer engagement, data integration, and marketing automation.
		October 2025	The Intrust Group provides an Information Technology support and cybersecurity services to small and medium-sized companies globally. It offers cloud, virtualization, storage area network, and remote desktop solutions.
		October 2025	Centillion Solutions provides enterprise IT and systems integration services, supporting utility and infrastructure clients with network, data, and operational technology solutions across complex operating environments.
		October 2025	Keystone Business Services provides ERP and systems integration consulting, helping organizations implement, manage, and optimize enterprise financial and operational platforms.
		October 2025	ACA Computers provides managed IT services and technology support, delivering network management, cybersecurity, cloud solutions, and helpdesk services to small and mid-sized businesses.



# IT Services Market Update

## Public Company Performance

### Index Performance: Last 3 Years



Source: S&P Capital IQ, data as of December 31, 2025

### Recent Market Commentary

APOLLO

“We continue to see strong demand for differentiated IT services platforms that combine deep domain expertise with scalable delivery models. Enterprises are prioritizing partners that can support mission-critical modernization, cybersecurity, and data initiatives, particularly in regulated and national security-focused end markets. This dynamic continues to support sustained investment and consolidation across the IT services landscape.”

– Apollo Global Management, Portfolio & Investment Commentary, January 2026

Gartner

“Enterprise IT services remain a cornerstone of digital transformation spending, with broad adoption of cloud, data analytics, and AI accelerating demand for managed services, systems integration, and cybersecurity capabilities. Clients are increasingly seeking partners that can deliver end-to-end modernization, support complex multi-cloud environments, and help quantify business value from technology investments, underscoring continued confidence in the long-term growth trajectory of the IT services sector.”

– Gartner Research, IT Services Spend & Market Outlook, October 2025

### IT Services Index Constituents



# IT Services Market Update

## Public Company Performance

### IT Services: Public Market Index

Company	Share Price and Market Capitalization		Market Performance			EV/ Revenue		EV/ EBITDA		Revenue Growth		EBITDA Margin	
	Share Price	Market Capitalization	3 Month	1 Year	3 Years	2025	LTM	2025	LTM	2025	2024	2025	LTM
Intl Bus Machines Corp	\$ 296.21	\$ 276,877.9	5.0%	34.7%	110.2%	5.2x	5.0x	23.2x	20.1x	5.5%	2.2%	20.5%	23.0%
Accenture plc	\$ 268.30	\$ 165,086.8	8.8%	-23.7%	0.5%	2.4x	2.3x	12.5x	12.3x	21.9%	4.1%	17.5%	17.6%
Tata Consultancy Services Ltd.	\$ 35.68	\$ 129,097.9	11.0%	-21.7%	-1.6%	4.4x	4.4x	16.7x	16.3x	16.8%	17.6%	25.7%	26.0%
Infosys Ltd.	\$ 17.98	\$ 72,729.4	12.0%	-14.1%	7.1%	3.8x	3.5x	15.5x	14.7x	20.3%	11.7%	23.1%	22.9%
HCL Technologies Ltd.	\$ 18.07	\$ 48,876.2	17.2%	-15.3%	56.2%	3.5x	3.3x	16.2x	15.8x	12.8%	9.6%	21.0%	20.1%
Cognizant Technology Solutions	\$ 83.00	\$ 40,059.7	23.8%	7.9%	45.1%	2.0x	1.9x	10.3x	9.9x	5.0%	-0.4%	17.8%	18.1%
Wipro Ltd.	\$ 2.93	\$ 30,705.5	10.1%	-12.8%	34.1%	2.7x	2.7x	13.4x	13.5x	27.7%	14.4%	19.5%	19.2%
Capgemini SE	\$ 167.02	\$ 28,148.1	15.1%	-10.1%	-8.8%	1.3x	1.3x	8.7x	8.9x	21.1%	2.4%	13.2%	12.9%
CGI Inc.	\$ 92.46	\$ 19,791.8	2.3%	-19.4%	8.6%	1.9x	1.9x	10.4x	10.4x	6.1%	11.1%	17.8%	17.8%
EPAM Systems Inc.	\$ 204.88	\$ 11,318.1	35.9%	-12.4%	-37.5%	2.2x	1.9x	13.6x	13.5x	28.4%	-2.8%	14.7%	13.1%
Persistent Systems Ltd.	\$ 69.80	\$ 10,417.7	30.1%	-2.9%	224.1%	7.7x	7.0x	45.4x	36.9x	36.4%	46.2%	16.2%	18.0%
Globant S.A.	\$ 65.37	\$ 2,879.8	13.9%	-69.5%	-61.1%	1.3x	1.3x	7.9x	8.7x	37.3%	17.7%	15.4%	13.6%
Kainos Group plc	\$ 13.51	\$ 1,611.9	6.3%	24.1%	-34.9%	3.0x	2.9x	19.1x	20.8x	28.9%	23.8%	15.3%	13.5%
Happiest Minds Technologies Lt	\$ 5.12	\$ 768.8	-13.3%	-37.3%	-47.8%	3.3x	3.1x	19.4x	18.9x	41.4%	30.7%	15.4%	14.9%
Endava plc	\$ 6.32	\$ 334.0	-30.5%	-79.5%	-91.7%	0.6x	0.6x	5.4x	6.3x	46.7%	21.4%	8.7%	7.7%
Mastek Ltd.	\$ 22.82	\$ 707.3	-6.5%	-31.1%	20.0%	1.8x	1.7x	11.5x	11.2x	26.8%	17.4%	15.2%	14.9%
<b>Median</b>			<b>10.6%</b>	<b>-14.7%</b>	<b>3.8%</b>	<b>2.5x</b>	<b>2.5x</b>	<b>13.5x</b>	<b>13.5x</b>	<b>24.4%</b>	<b>13.0%</b>	<b>16.9%</b>	<b>17.7%</b>
<b>Mean</b>			<b>8.8%</b>	<b>-17.7%</b>	<b>13.9%</b>	<b>2.9x</b>	<b>2.8x</b>	<b>15.6x</b>	<b>14.9x</b>	<b>23.9%</b>	<b>14.2%</b>	<b>17.3%</b>	<b>17.1%</b>
<b>High</b>			<b>35.9%</b>	<b>34.7%</b>	<b>224.1%</b>	<b>7.7x</b>	<b>7.0x</b>	<b>45.4x</b>	<b>36.9x</b>	<b>46.7%</b>	<b>46.2%</b>	<b>25.7%</b>	<b>26.0%</b>
<b>Low</b>			<b>-30.5%</b>	<b>-79.5%</b>	<b>-91.7%</b>	<b>0.6x</b>	<b>0.6x</b>	<b>5.4x</b>	<b>6.3x</b>	<b>5.0%</b>	<b>-2.8%</b>	<b>8.7%</b>	<b>7.7%</b>

Source: S&P Capital IQ, data as of December 31, 2025. All data in USD millions, except per-share values.



# Dresner Partners

## IT Services Coverage

### About Dresner Partners

Dresner Partners is an investment bank specializing in merger & acquisition advisory, institutional private placements of debt and equity, valuation and strategic consulting. Our clients are middle market companies operating both in the U.S. and internationally. We are deeply committed to exceeding client expectations and maintaining the highest levels of integrity. Our experienced professionals have the foresight necessary to navigate through highly complicated transactions to maximize value for our clients.

### IT Services Subsector Coverage

- Application Partner Ecosystems
- Business Intelligence and Data Analytics
- Cloud Computing
- Cybersecurity
- Digital Transformation
- Industry / Vertical Specialists
- Managed Services
- Outsourced Services / BPO
- Software Development
- Staffing and Outsourced Services
- Strategy Consulting
- Value Added Resale

### Coverage Team

**Lawrence Pier**

Managing Director  
(650) 332-9995

[lpier@dresnerco.com](mailto:lpier@dresnerco.com)

**Brian Schofield**

Managing Director  
(312) 780-7227

[bschofield@dresnerco.com](mailto:bschofield@dresnerco.com)

**Matthew Jones**

Managing Director  
(646) 415-4049

[mjones@dresnerco.com](mailto:mjones@dresnerco.com)

**Christopher Nolan**

Managing Director  
(212) 444-8029

[cnolan@dresnerco.com](mailto:cnolan@dresnerco.com)

### Select Dresner Partners IT Services Transactions



**CCI systems**  
Network Solutions Group  
Business Unit

has been acquired by

**e+**  
ePlus Technology

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING



**NavePoint**  
Network Equipment &  
Services

has been acquired by

**INFINITE**  
ELECTRONICS, INC.

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING



**DISYS**  
IT Staffing & Consulting

has received a strategic  
investment from

**LNC**  
PARTNERS  
Financial Advisor

DRESNER PARTNERS  
INVESTMENT BANKING



**infutor**  
Infutor Data Solutions  
On-Demand  
Data Solutions Provider

has received a strategic investment  
from

**NORWEST**  
VENTURE PARTNERS

Financial Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING



**ISI**  
ISI Telemanagement Solutions  
Unified Communications  
Management Solutions

has been acquired by

**VALENT**  
CAPITAL PARTNERS

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING

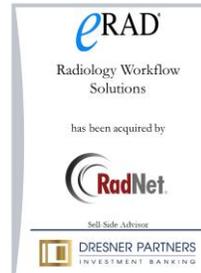


**G2 63**  
Healthcare IT and Training

has been acquired by

**CAPITA**

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING

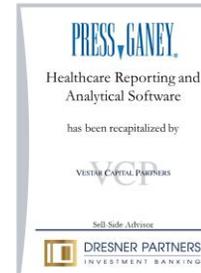


**eRAD**  
Radiology Workflow  
Solutions

has been acquired by

**RadNet**

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING



**PRESS.GANBY.**  
Healthcare Reporting and  
Analytical Software

has been recapitalized by

**VCP**  
VENTURE CAPITAL PARTNERS

Sell Side Advisor  
DRESNER PARTNERS  
INVESTMENT BANKING



# Disclosures and Disclaimers

---

The information and views contained in this content have been prepared in part by Dresner Partners. The content does not purport to be comprehensive or to contain all the information that a recipient may need in order to evaluate any investment or potential transaction. This content is not a research report, as such term is defined by applicable law and regulations, and is provided for informational purposes only. Any and all information, including estimates, projections and other forward-looking statements, presented in this document may involve various assumptions and significant elements of subjective judgment and analysis that may or may not be correct. Dresner Partners has not independently verified, and neither Dresner Partners nor any other person will independently verify, any of the information, estimates, projections or forward-looking statements contained herein or the assumptions on which they are based. The information contained in this document is made as of the date hereof unless stated otherwise. Dresner Partners does not expect to update or otherwise revise this document nor provide any additional information, nor correct any inaccuracies herein which may become apparent.

This content is intended for institutional use only and should not be relied upon by retail investors or members of the general public. The information contained herein is believed by Dresner Partners to be reliable but Dresner Partners makes no representation or warranty as to the accuracy or completeness of such information, and information contained herein that is based on material prepared by others may involve significant elements of subjective judgment and analysis which may or may not be correct. Opinions, estimates and projections contained herein constitute Dresner Partners' judgment and are subject to change without notice.

This content is not to be construed as investment advice, an offer to buy or sell, or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular transaction, nor shall this form the basis of any contract. It does not constitute and should not be construed as an endorsement or recommendation of any entities' products or services.

No part of this material may be copied or duplicated in any form or by any means, or redistributed, without Dresner Partners' prior written consent.

